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Voters OK tax on video poker

■ **Lottery:** The victory may sour if a proposed state law that would block the tax is approved.

By JEFF WRIGHT
The Register-Guard

Eugene voters figured the odds were easy Tuesday, voting by a 2-to-1 margin to enact a tax on video poker profits to help pay for community policing.

But the electoral victory may be short-lived, thanks to a bill in the Legislature that would block

Eugene or any other city from taxing video poker machine profits.

In final unofficial returns from Tuesday's mall-in election, the video poker tax passed 12,747 to 5,780, a 66 percent majority. The issue was placed on the ballot because of a successful referendum petition drive underwritten by the Oregon Restaurant Association.

About 23.3 percent of Eugene's 82,769 registered voters participated in the election. That was slightly higher than the countywide voter turnout of 20.3 percent, said Annette Newingham, Lane County elections supervisor.

The video poker tax, the first of its kind in

Oregon, claims 10 percent of retailers' commissions. The state now pays a 35 percent commission on video poker wagers to anyone who has a state-licensed machine.

The 55 bars, taverns and delis in Eugene that have the state-sponsored games earned a total of \$4.5 million in commissions last year — which would work out to \$450,000 in tax proceeds for the city.

City officials said that the voters' verdict should make it harder for legislators to ban the tax.

"This makes a real strong statement," said council President Nancy Nathanson, who chuc-

kled at the news of the measure's success. "It looks to me as if citizens thought the amount was reasonable and the proposed use was also appropriate."

"It'll be interesting to see what the Legislature does now," said council Vice President Tim Laue. "It should at least send a message that all politics are local, and that the Legislature shouldn't preclude local communities from determining what's best for them."

But Mike McCallum, executive director of the Oregon Restaurant Association, predicted that the

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